## TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

May 7, 2001 LB 620

hear about, those people receive a credit, that's called a production credit. I believe under the terms of that, that is redeemable or transferred to people in terms of fuel tax certificates. That is the credit itself. If it's on my tax return, I could sell and say I'm going to transfer the credit I get to an individual. You would be paid money for that and you would transfer that credit. That's the reason the prohibition. The second portion that you talk about is different. You are not solely transferring the credit. What you are doing is selling or leasing or perhaps in a lease purchase or some other way transferring the assets. In other words, let's go back to Senator Beutler's processing plant that cost \$200 million. You are physically transferring to another individual. With that goes all the obligations that come with it. In other words, you've got a signed agreement with the state of Nebraska that that will continue to have so many employees.

SENATOR CHAMBERS: Let me see if I'm with you so far.

SPEAKER KRISTENSEN: Sure.

SENATOR CHAMBERS: On page 10, we're talking about a credit that has accrued to this company and that cannot be transferred to anybody else or any entity.

SPEAKER KRISTENSEN: As...

SENATOR CHAMBERS: And when we get to these other pages, we're talking about transferring interest that would entitle whoever takes that transfer to develop the...

SENATOR CUDABACK: One minute.

SENATOR CHAMBERS: ... right to get these credits.

SPEAKER KRISTENSEN: And keep receiving them.

SENATOR CHAMBERS: Okay.

SPEAKER KRISTENSEN: In other words, you're kind of...it's like buying a going business.